People

Business   *Place*

2005
Prosperity Index

Measuring the Sacramento Region's Competitive Position

Acknowledgments

What Are We Measuring?

The Sacramento Regional Research Institute (SRRI) developed the **PROSPERITY INDEX** to provide business and community leaders in the Sacramento Region a valuable tool to measure regional economic prosperity and track its performance against competitors in order to evaluate the competition, identify opportunities for improvement, and ultimately impact change in the Region. Along with the national average, ten competitor regions were chosen as benchmarks for this analysis based on feedback from economic development organizations regarding metropolitan areas that often compete with the Region for business location and expansion projects.

In the past, prosperity was primarily described by economic performance and a select number of demographic trends. This view emphasized elements such as job growth, unemployment, population growth, and income. Reflecting the results of economic restructuring and increased competition, contemporary views of prosperity provide a much broader accounting of assets that include all the traditional factors, but also embrace other important locational characteristics such as education, workforce, environment, and investment.

Overall, regional economic prosperity includes three main components— **BUSINESS, PEOPLE, AND PLACE** — that span characteristics of the local business climate, workforce, and quality of life. The Business component relates to aspects that describe a region's economy and business climate. Elements that describe the people or workforce in a region are encompassed in the People component. Finally, features that describe a region's quality of life and environment are captured in the Place component. A balance of strong performance across all three components contributes to regional prosperity.

In order to create a quantitative measure for the Business, People, and Place components as well as overall regional prosperity, a select number of indicators were chosen. Each indicator was chosen for two main reasons. First, the indicator must act as a key characteristic in describing either Business, People, or Place overall. Second, comparative data must be available nationally from sources that provide consistent methodology across regions and over time. All indicators used in the project reflect a balance of historical, current, and future performance and relate to aspects that regional organizations can influence or directly affect.

Every indicator receives a score between 0 and 10 based on relative rankings. The best performing region scores a 10, the lowest receives a 0, and all other regions receive scores between 0 and 10 based on where they fell between these two extremes. The Business, People, and Place components are each created as a simple average of 6 indicators while the Prosperity Index is a simple average of all 18 indicators. The average scores are scaled as a percentage of the best-performing region. The highest scoring region receives an index score of 10 and all others receive scores that depend on their performance as a percentage of the best-performing region. Changes in indicator and index scores over time reflect shifts in performance relative to the selected regions and the national average.

Prosperity Index Indicators

BUSINESS
- Job Growth
- Office Vacancy Rate
- Payroll Growth
- Establishment Growth
- Unemployment Rate
- Venture Capital Investment

PEOPLE
- College Enrollment
- Population Growth
- Graduation Rate
- Educational Attainment
- Median Household Income
- Household Income Spread

PLACE
- Air Quality
- Commute Time
- Crime Rate
- Charitable Contributions
- Fair Market Rent Growth
- Housing Affordability

Competitive Regions

- Portland
- Reno
- Salt Lake City
- Sacramento Region
- Denver
- San Francisco Bay Area
- Los Angeles
- Inland Empire (Riverside/San Bernardino)
- San Diego
- Phoenix
- Austin

How is the Sacramento Region Doing?

As shown in Figure 1, the Sacramento Region ranked fifth on the **PROSPERITY INDEX**, receiving a score of 8.4 out of a possible 10. Sacramento received the best score for the People component, but lower scores in the Business and Place components, placing the Region near the middle of the list. Among the regions in California, Sacramento ranked second, behind the SF Bay Area, which received one of the best scores on the Prosperity Index. Compared to its main competitors, the Sacramento Region presents about average economic prosperity, giving it a moderate competitive position.

Salt Lake City obtained the highest score on the Prosperity Index due to its healthy performance in the People component and above average scores in the Business and Place components. Receiving a score of 6.0 out of a possible 10, Los Angeles placed twelfth as a result of its comparatively weak scores across all components. With the exception of Los Angeles, all selected regions received scores above the national average, demonstrating the general strength of this group of competitive economies in the western United States.

With a score of 5.3 out of a possible 10 points in the **BUSINESS** component and as shown in Figure 2, the Sacramento Region ranked ninth, below other regions in California.

As shown in Figure 3, based on its relative performance, the Sacramento Region received approximately half of the available points in Establishment Growth, Job Growth, and Unemployment Rate; limited points in Payroll Growth and Venture Capital Investment; and the fourth highest score in Office Vacancy Rate. In general, the Region presents a moderate competitive position in terms of business climate.

Figure 1: PROSPERITY INDEX

Rank	Region	Score
1.	Salt Lake City, UT	10.0
2.	SF Bay Area, CA	10.0
3.	Austin, TX	9.9
4.	Reno, NV	9.1
5.	**Sacramento Region, CA**	**8.4**
6.	San Diego, CA	8.4
7.	Denver, CO	7.9
8.	Inland Empire, CA	7.7
9.	Phoenix, AZ	7.7
10.	Portland, OR–WA	7.0
11.	United States	6.5
12.	Los Angeles, CA	6.0

Decimal point differences, masked by rounding in the bar chart, separate regions with alike scores
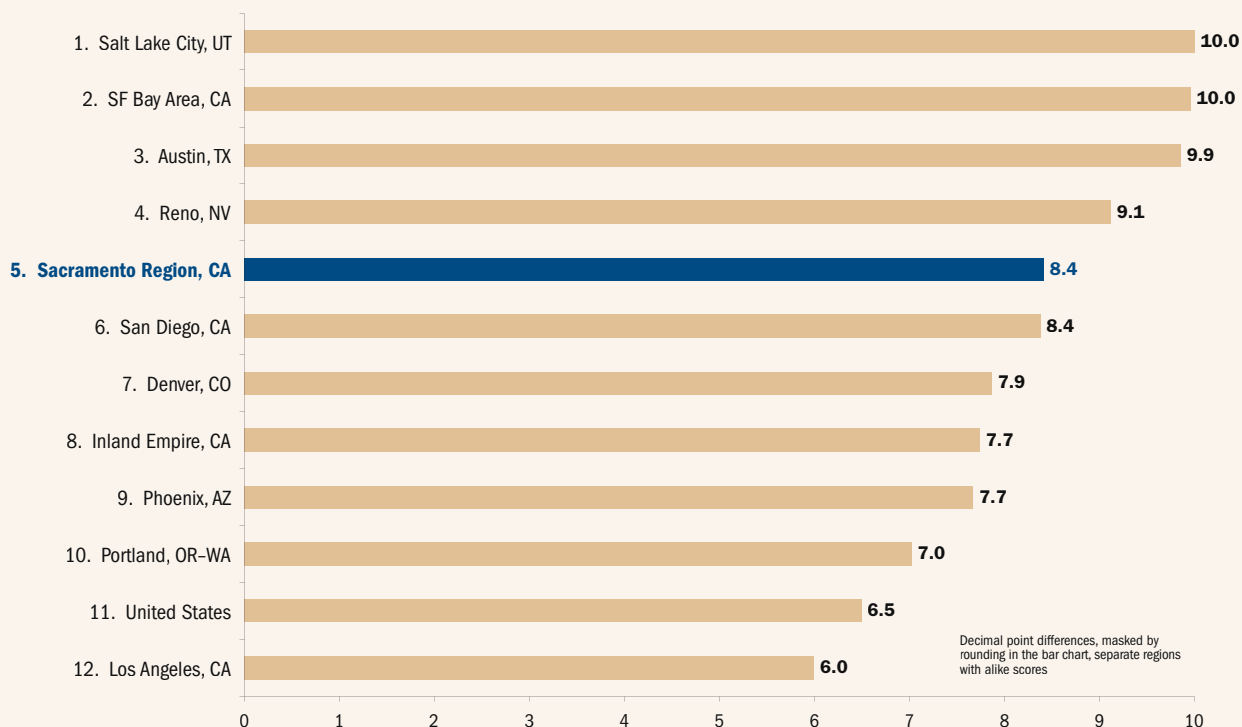
The Inland Empire (Riverside/San Bernardino) ranked first in the Business component due to its strong scores in Establishment Growth, Job Growth, Office Vacancy Rate and

Payroll Growth, which compensated for its poor relative performance in Unemployment Rate and Venture Capital Investment. With only 3.4 out of a possible 10 points, Portland

fell into last place in the Business component with low scores in all indicators except Office Vacancy Rate. Similar to the overall Prosperity Index, nearly all the selected regions ranked higher than the national average.

Figure 2: BUSINESS Component

Region	Score
1. Inland Empire, CA	10.0
2. Reno, NV	9.2
3. San Diego, CA	7.9
4. Austin, TX	6.3
5. Phoenix, AZ	6.3
6. Salt Lake City, UT	6.2
7. Los Angeles, CA	5.8
8. SF Bay Area, CA	5.8
9. Sacramento Region, CA	5.3
10. United States	4.3
11. Denver, CO	4.2
12. Portland, OR–WA	3.4

Decimal point differences, masked by rounding in the bar chart, separate regions with alike scores
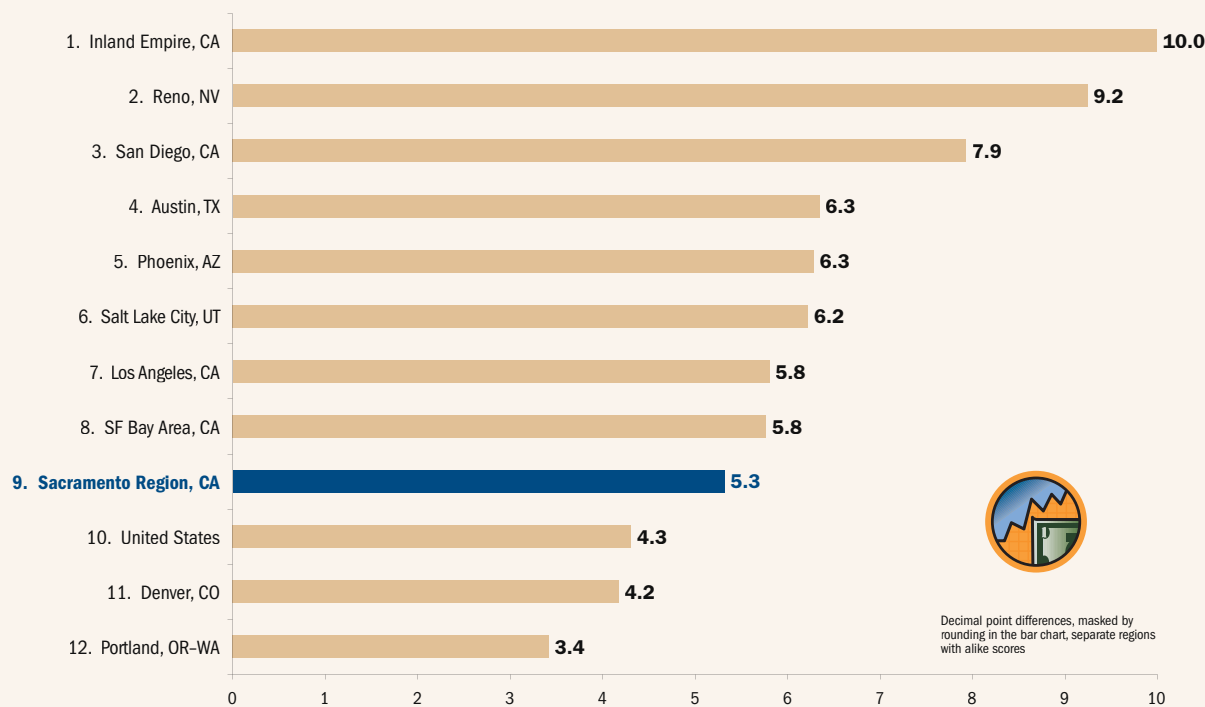
Figure 3: BUSINESS Component Indicator Scores

Region	Establishment Growth	Job Growth	Office Vacancy Rate	Payroll Growth	Unemployment Rate	Venture Capital Investment
Austin, TX	5.0	4.3	0.0	9.1	6.6	1.6
SF Bay Area, CA	2.3	0.0	3.6	3.8	4.5	10.0
Denver, CO	4.4	2.6	1.8	2.4	4.6	1.9
Inland Empire, CA	8.6	10.0	9.0	10.0	4.4	0.0
Los Angeles, CA	5.6	1.8	9.0	2.8	3.7	1.4
Phoenix, AZ	0.0	6.6	2.9	7.4	9.0	0.5
Portland, OR–WA	3.7	4.2	6.0	0.0	0.0	0.4
Reno, NV	8.3	8.1	6.1	5.7	10.0	0.5
Sacramento Region, CA	*5.1*	*3.9*	*6.5*	*1.6*	*4.8*	*0.5*
Salt Lake City, UT	10.0	3.8	2.5	3.2	5.5	1.2
San Diego, CA	5.2	2.2	10.0	2.7	7.9	5.2
United States	4.6	2.3	4.3	1.6	4.5	0.8

The Sacramento Region received the highest score in the **PEOPLE** component, putting it in first place (as shown in Figure 4).
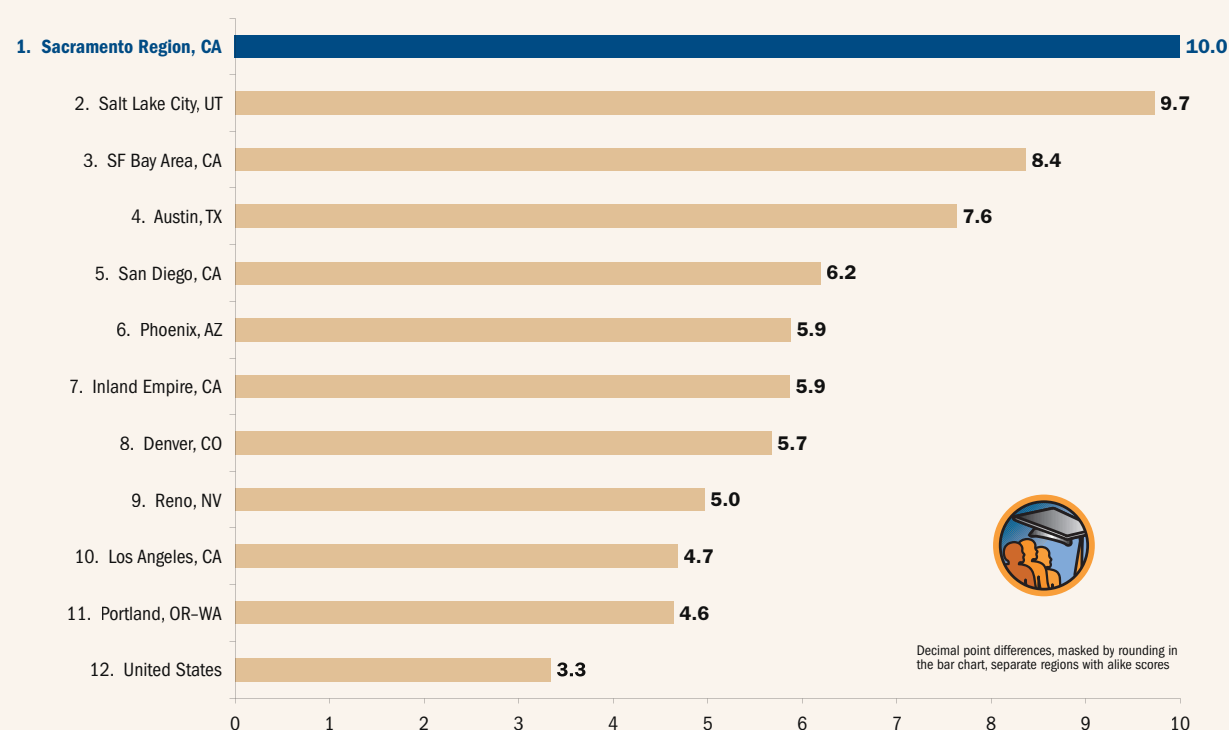
As demonstrated in Figure 5, strong scores in the College Enrollment, Household Income Spread and Graduation Rate along with middle-of-the-road performance in all other indicators, gave the Sacramento Region its first place ranking. The Region offers a strong competitive position in terms of its population and workforce.

Every selected region fell above the national average in the People component, illustrating the relative attractiveness of these regions and the strong workforce they offer. The only indicator where the United States received a comparatively healthy score was Household Income Spread.

Figure 4: PEOPLE Component

Rank	Region	Score
1.	Sacramento Region, CA	10.0
2.	Salt Lake City, UT	9.7
3.	SF Bay Area, CA	8.4
4.	Austin, TX	7.6
5.	San Diego, CA	6.2
6.	Phoenix, AZ	5.9
7.	Inland Empire, CA	5.9
8.	Denver, CO	5.7
9.	Reno, NV	5.0
10.	Los Angeles, CA	4.7
11.	Portland, OR–WA	4.6
12.	United States	3.3

Decimal point differences, masked by rounding in the bar chart, separate regions with alike scores

Figure 5: PEOPLE Component Indicator Scores

Region	College Enrollment	Educational Attainment	Graduation Rate	Median Household Income	Household Income Spread	Population Growth
Austin, TX	8.0	6.9	2.3	1.5	5.8	6.2
SF Bay Area, CA	8.6	10.0	5.0	10.0	0.0	0.0
Denver, CO	1.4	7.8	2.2	4.0	4.9	2.6
Inland Empire, CA	6.3	0.0	0.0	0.2	7.1	10.0
Los Angeles, CA	9.0	4.1	0.2	2.2	1.6	1.8
Phoenix, AZ	0.8	4.0	4.5	0.5	5.6	8.3
Portland, OR–WA	0.8	5.6	1.9	1.2	6.5	2.6
Reno, NV	2.2	2.1	5.3	0.6	3.4	6.3
Sacramento Region, CA	*10.0*	*5.5*	*6.0*	*3.8*	*9.9*	*5.0*
Salt Lake City, UT	8.9	3.9	10.0	2.8	10.0	3.5
San Diego, CA	6.0	5.8	4.0	2.6	5.8	0.8
United States	0.0	3.2	2.3	0.0	5.7	2.2

In the **PLACE** component, Figure 6 shows the Sacramento Region placed near the bottom of the list, in tenth place, with a score of 5.2 out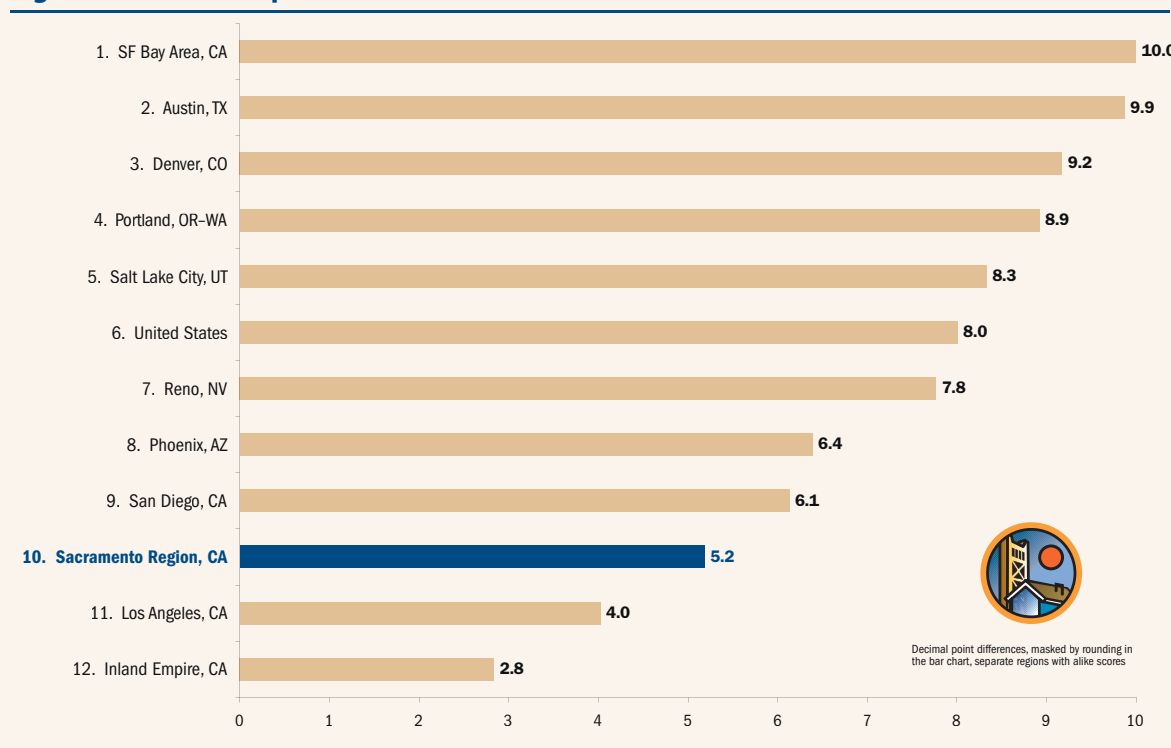 of 10. As demonstrated in Figure 7, moderate scores in Air Quality, Crime Rate, and Commute Time and weak marks in Charitable Contributions, Fair Market Rent Growth, and Housing Affordability drove this overall performance. Despite its comparatively poor performance among all competitive regions, the Sacramento Region placed above two of the four other California regions, Los Angeles and the Inland Empire (Riverside/San Bernardino). In terms of place characteristics, the Sacramento Region presents a fairly weak competitive position.

The SF Bay Area ranked number one in the Place component due to its strong performance in all indicators except Commute Time and Housing Affordability. The Inland Empire (Riverside/San Bernardino) only received 2.8 out of a possible 10, putting it in last place. This region received a comparatively healthy score in only one indicator, Crime Rate. Unlike the Prosperity Index and its Business and People components, the United States placed in the middle of selected regions in the Place component, showing that the competitive regions in the western United States may not offer as strong an advantage in terms of place characteristics.

Figure 6: PLACE Component

Rank	Region	Score
1.	SF Bay Area, CA	10.0
2.	Austin, TX	9.9
3.	Denver, CO	9.2
4.	Portland, OR–WA	8.9
5.	Salt Lake City, UT	8.3
6.	United States	8.0
7.	Reno, NV	7.8
8.	Phoenix, AZ	6.4
9.	San Diego, CA	6.1
10.	Sacramento Region, CA	5.2
11.	Los Angeles, CA	4.0
12.	Inland Empire, CA	2.8

Decimal point differences, masked by rounding in the bar chart, separate regions with alike scores

Figure 7: PLACE Component Indicator Scores

Region	Air Quality	Charitable Contributions	Commute Time	Crime Rate	Fair Market Rent Growth	Housing Affordability
Austin, TX	9.8	7.0	5.0	5.8	4.1	9.5
SF Bay Area, CA	9.6	10.0	2.6	8.3	10.0	1.2
Denver, CO	9.9	1.0	4.8	6.3	6.4	10.0
Inland Empire, CA	0.0	0.0	0.0	7.7	2.8	1.4
Los Angeles, CA	4.0	1.2	1.7	10.0	0.0	0.0
Phoenix, AZ	9.7	0.2	4.5	0.0	4.9	7.5
Portland, OR–WA	9.6	1.2	6.0	3.9	7.9	8.6
Reno, NV	10.0	1.9	10.0	4.8	2.9	2.9
Sacramento Region, CA	*6.9*	*0.0*	*5.0*	*6.0*	*2.9*	*0.8*
Salt Lake City, UT	7.0	0.4	9.3	1.5	7.5	9.0
San Diego, CA	8.7	0.3	3.4	9.4	3.8	0.1
United States	8.7	1.0	4.9	8.3	3.6	6.9

Digging Deeper: 2005 Prosperity Index Fast Facts

Business

FACT: Employment in the Sacramento Region grew 2.6 percent between the fourth quarters of 2003 and 2004, surpassing the national average job growth of 1.6 percent.

FACT: From the fourth quarter of 2003 to 2004, the Sacramento Region experienced a 2.9 percent increase in the number of business establishments, a growth rate above the 2.5 percent national average.

FACT: The Sacramento Region's average unemployment rate for the 12 months ending in June 2005 was 5.2 percent, which fell close to the national average of 5.3 percent.

FACT: The Sacramento Region showed a 12.7 percent office vacancy rate for the second quarter of 2005, which was notably lower than the national rate of 14.8 percent.

FACT: Total industry payroll in the Sacramento Region expanded by 7.4 percent between the fourth quarters of 2003 and 2004, placing it close to the national compensation growth rate of 7.5 percent.

FACT: Venture capital investment per employee in the Sacramento Region in the second quarter of 2005 measured $26.4, notably lower than the national average of $44 per employee.

People

FACT: About 39.2 percent of the Sacramento Region's population had an Associate Degree or higher in 2003, a level of educational attainment that exceeded the national average of 33.5 percent.

FACT: At $52,981, median household income in the Sacramento Region in 2003 surpassed the national average of $43,564.

FACT: Between 2003 and 2004, the Sacramento Region's population increased by 2.1 percent, a growth rate above the 1.0 percent national average.

FACT: In 2003, 7.9 percent of the Sacramento Region's population was enrolled in college or graduate school, while the national average was 6.1 percent.

FACT: With a graduation rate of 76.8 percent in 2002, freshmen in the Sacramento Region were more likely to graduate from high school than their peers at the national level (74.5 percent).

FACT: With a divergence between median and average household income in 2003 of $10,923, the Sacramento Region had a smaller income spread than the national average of $14,472.

Place

FACT: The average travel time to work in the Sacramento Region was 24.2 minutes in 2003 — around the same level as the national average of 24.3 minutes.

FACT: With 4,700.5 crimes per 10,000 residents in 2003, the Sacramento Region's crime rate was higher than the national rate of 4,063.4 crimes per 100,000 residents.

FACT: During the second quarter of 2005 only 9.1 percent of homes sold in the Sacramento Region were affordable to families earning the median income, compared to around 45.9 percent of homes nationally.

FACT: In 2004 the Sacramento Region posted a greater proportion of unhealthy air days than the national average with 10.3 percent of total measured days classified as unhealthy compared to the national level of 4.3 percent.

FACT: Private foundation revenues from charitable contributions in 2003 measured at $7.5 per capita in the Sacramento Region compared to the national average of $83.3.

FACT: Between 2004 and 2005, Fair Market Rents grew by 2.8 percent in the Sacramento Region, a growth rate higher than the 1.1 percent national average.

Notes on Research and Methodology

Business Component Indicators

Job Growth accounts for the year-over-year percentage increase in average fourth quarter employment from 2003 to 2004. This measure is often viewed as an indicator of overall economic performance since employment is the primary source of income for residents and changes in the level of jobs reflect local business patterns. The source for this data is the Bureau of Labor Statistics' Quarterly Census of Employment and Wages.

Establishment Growth measures the percentage increase in firms from the fourth quarter of 2003 to the same quarter of 2004. As an indicator of the overall business climate, this measure shows net changes in the number of businesses and captures firm births and deaths. The source for this data is the Bureau of Labor Statistics' Quarterly Census of Employment and Wages.

Office Vacancy Rate calculates the percentage of the total net rentable area of office property that was unoccupied in the second quarter of 2005. High vacancies indicate a lack of demand and/or overdevelopment and can also be interpreted as signs of economic slowdown. Regions with high vacancy rates receive low scores on this indicator. The sources for this data are the CB Richard Ellis Office Vacancy Index and Market View reports and Colliers International Market Reports.

Payroll Growth measures the percentage increase in aggregate compensation over a one-year period (in this case, from the fourth quarter of 2003 to the fourth quarter of 2004). This data provides insight into changes in total industry payrolls, pointing to general business performance and the level of available consumption and savings activity. The source for this data is the Bureau of Labor Statistics' Quarterly Census of Employment and Wages.

Unemployment Rate calculates a 12-month moving average (ending in June 2005) percentage of the labor force that was unemployed. Higher unemployment rates indicate signs of economic slowdowns, increased competition for jobs, and decreased ability to generate income while lower rates tend to signify growth and expansion. Regions with low unemployment rates receive higher scores on this indicator. The source for this data is the Bureau of Labor Statistics' Local Area Unemployment Statistics.

Venture Capital Investment accounts for total venture capital funds invested in local companies per employee in the second quarter of 2005. This indicator not only points to perceptions in the investment community about a region's innovation capacity and investment risk, but also has future implications since firms receiving venture capital use the funds in an attempt to innovate, develop products and services, and become more productive in the future. The sources for this data are Venture Economics' Quarterly Statistics and the Bureau of Labor Statistics' Quarterly Census of Employment and Wages.

People Component Indicators

College Enrollment measures the percentage of the population (age 3 and above) enrolled in college or graduate school in 2003. This indicator points to the strength of higher education infrastructure in a region as well as potential future changes in educational attainment levels and the availability of a highly educated labor force. The source for this data is the Census Bureau's American Community Survey[1].

Educational Attainment captures the percentage of the population (age 25 and above) whose highest level of education was either an Associate, Bachelor's, Graduate, or Professional Degree in 2003. Higher levels of educational attainment reflect a higher-skilled labor force, which can attract businesses that demand higher skilled workers and pay higher salaries. The source for this data is the Census Bureau's American Community Survey[1].

Graduation Rate measures the probability that a freshman from a calculated cohort of students graduated on time. It is calculated as the number

of high school graduates receiving a regular diploma in 2002 divided by the average of the number of students enrolled in eighth grade five years earlier, ninth grade four years earlier, and tenth grade three years earlier. Because this rate tracks very closely to the actual on-time graduation rate, it provides a useful comparative measure of educational quality and retention between regions. A quality educational system enhances both the skill level of the labor force and the quality of life in a region. The source for this data is the National Center for Educational Statistics' Common Core Data.

Median Household Income represents the income level where half of all households in the region fall below the median income in 2003 and the other half fall above the median value. Measures of household income reflect both the potential consumption activity of a mid-level household and a region's general standard of living. The source for this data is the Census Bureau's American Community Survey[1].

Household Income Spread calculates the divergence between the average household income and median household income in 2003. The magnitude of this divergence measures household income inequality in a region—a low divergence indicates that there is a lower disparity between household income levels than in an area with a higher divergence. Lower inequality can create a more stabilized social and political climate in addition to a more competitive workforce and region overall. The source for this data is the Census Bureau's American Community Survey[1].

Population Growth measures the percentage increase in residents over a one-year period (in this case, from July 1, 2003 to July 1, 2004). This indicator is important because it reflects the attractiveness of a region as well as many economic aspects including the size of the labor force, consumer base, and delivery of public services. The source for this data is the Census Bureau's Population Estimates.

Place Component Indicators

Air Quality accounts for the percentage of measured air quality days that were classified as "unhealthy for sensitive groups" and "unhealthy" in 2004. Due to its implications on public health and perception of the overall environmental quality, this factor is an important component of a region's quality of life. Region with high percentages receive low scores on this indicator. The source for this data is the Environmental Protection Agency's AirData[2].

Charitable Contributions captures private foundation revenue per capita from contributions, gifts, and grants in 2003. Private foundations generally act as grant-making organizations and channel funds to other community and non-profit organizations. This indicator has future impacts due to the fact that funds are given to other organizations so that they can provide future services and conduct ongoing activities. The sources for this data are the National Center for Charitable Statistics' Private Foundation Revenue Source data[3] and the U.S. Census Bureau's Population Estimates.

Commute Time accounts for the average travel time to work in minutes in 2003 (for workers age 16 and above). Commute times function as an

indicator of the level of crowding in a region, the quality of urban planning and transportation infrastructure, and the effects of urbanization and sprawl. The source for this data is the Census Bureau's American Community Survey[1].

Crime Rate measures the total number of reported violent and property crimes per 100,000 residents in 2003. This data can be used to assess the relative "safety" of one region to another based on the prevalence of reported criminal activity. Regions with low crime rates receive higher scores on this indicator. The source for this data is the Federal Bureau of Investigation's Uniform Crime Report[4].

Fair Market Rent Growth captures the percentage increase in Fair Market Rent over a one year period (2004 to 2005 in this case). Since housing is a major component of many cost of living estimates, this indicator serves as a proxy for changes in cost of living over time. Regions with high growth rates receive low scores on this indicator. The source for this data is the Department of Housing and Urban Development's Fair Market Rents data[5].

Housing Affordability measures the share of homes sold in the second quarter of 2005 that would have been affordable to a family earning the median income. This indicator takes into account behavior in both income levels and the regional housing market and provides a point-in-time insight into cost of living and perceptions of regional affordability. The source for this data is the National Association of Home Builders-Wells Fargo Housing Opportunity Index[6].

Selection of Regions:

In addition to the national average, ten competitor regions were chosen as benchmarks based on feedback from economic development organizations in the Sacramento Region regarding metropolitan areas that often compete with the Region for business location and expansion projects. Half of the regions are located in California and the other half are located throughout the western United States.

Benchmark Regions

Sacramento Region, CA—El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba Counties

Austin, TX—Bastrop, Caldwell, Hays, Travis, and Williamson Counties

SF Bay Area, CA—Alameda, Contra Costa, Marin, San Benito, San Francisco, San Mateo, and Santa Clara Counties

Denver, CO—Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, Park, and Boulder Counties

Inland Empire, CA—Riverside and San Bernardino Counties

Los Angeles, CA—Orange, Los Angeles, and Ventura Counties

Phoenix, AZ—Maricopa and Pinal Counties

Portland, OR-WA—Clackamas, Columbia, Multnomah, Washington, Yamhill Counties in Oregon and Clark and Skamania Counties in Washington

Reno, NV—Storey and Washoe Counties

Salt Lake City, UT—Salt Lake, Summit, Tooele, Davis, Morgan, and Weber Counties

San Diego, CA—San Diego County

United States—national average

Additional Notes Regarding Research and Data

1. Data for the following areas was not available from the Census Bureau's American Community Survey:
    - SF Bay Area—San Benito County
    - Denver—Broomfield, Clear Creek, Elbert, Gilpin, and Park Counties
    - Phoenix—Pinal County
    - Portland—Columbia, Yamhill, and Skamania Counties
    - Reno—Storey County
    - Sacramento Region—Yolo, Yuba, and Sutter Counties
    - Salt Lake City—Summit, Tooele, and Morgan Counties

2. Data for the following areas was not available from the Environmental Protection Agency's AirData:
    - Denver—Broomfield, Elbert, Park, Gilpin, Clear Creek Counties
    - Portland—Skamania County

    - Reno—Storey County
    - Salt Lake City—Summit, Tooele, and Morgan Counties

3. Complete revenue data for private foundations in the following areas was not available from the National Center for Charitable Statistics' Private Foundation Revenue Source data and population from these areas were not included in the per capita calculations:
    - Denver—Clear Creek and Park Counties
    - Salt Lake City—Morgan County

4. The Federal Bureau of Investigation's Uniform Crime Rate Report did not include Austin in 2003; therefore, data for 2002 was used for this region. Data was not available for the following areas:
    - Salt Lake City—Davis, Morgan, and Weber Counties

5. Data for the following areas was not available from the Department of Housing and Urban Development's Fair Market Rents data:
    - Denver—Broomfield County

6. Data for the following areas was not available from the National Association of Home Builders-Wells Fargo Housing Opportunity Index:
    - Salt Lake City—Davis, Morgan, and Weber Counties

    Each of the indicators reflected in these data sources were deemed important in measuring economic prosperity and, despite incomplete data, the patterns presented are considered reasonable representations of the selected regions.

SRRI

The 2005 Prosperity Index is sponsored by the following businesses who believe in ensuring the prosperity of the Sacramento Region:

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The Sacramento Regional Research Institute (SRRI), a joint venture of SACTO and California State University, Sacramento, provides a full range of objective economic and demographic research services to government entities, businesses, and non-profit organizations. For more information about the Institute or the Prosperity Index, visit www.srri.net or contact SRRI by mail at 400 Capitol Mall, Suite 2500, Sacramento, CA 95814; by telephone at (916) 491-0444; or by e-mail at srri@srri.net.

SRRI will update the Prosperity Index and all related components annually. Future versions of the Index will demonstrate how the Sacramento Region's economic prosperity has changed relative to its main competitors. Additionally, components of the Prosperity Index will be updated quarterly through the *SACTO Quarterly Economic Report* in order to allow for more frequent evaluations of the local business climate.